# Challenges for Vietnamese enterprises The case of Nam Dược

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## History

- Founded 2004 in Hanoi
- 2006: GMP-WHO complied factory
- 2009: change of strategy to focus on Vietnamese traditional medicine
- A recognized brand name: Asia Pacific Quality Awards (2016)



### **Business size**

- Number of employees: 450
- 3 legal entities
   Nam Dược JSC: located in Hanoi, directly in charge of R&D, Marketing, Communication, Sales, Logistics.

Nam Dược Phương Nam Co., Ltd: in charge of distribution in the south of Vietnam Nam Duoc Co., Ltd (Nam Dinh): in charge of production



#### **Business size**

- Annual retail sales: 450 billion VND (20 million USD)
- Distribution channel: 63 provinces of Vietnam, not yet exported.



### Direction for development

- Herbal medicines, supplementary dietaries, cosmetics adapted from Vietnamese traditional medicine
- Conservation and development of traditional medicine
- Quality product with high level of safety and convenience
- Community development



### Direction for development

Quality developed through:

- Modern technologies and machineries
- Cooperation with scientists from National Institute of Medicinal Materials, Hanoi University of Pharmaceutical, and traditional healers
- GACP-WHO certified input ingredients



### Medicinal materials sources

- Gymnema sylvestre Nam Dinh province (1.2 ha with 19 farmer households)
- Angelica dahurica Nam Dinh province (1 ha with 10 farmer households)
- Solanum procumben Hanoi (2 ha with 2 farmer households)
- Phyllanthus amarus, Plectrathus amboinicus
   – Phu
   Yen province (cooperation with Vietroselle)
- Salvia miltiorrhiza, Platicodon grandiflorum,
   Angelica sinensis Lao Cai province (5ha,
   collaboration with Bac Ha Agricultural Extension)
- Cobra farm Vinh Phuc province



# Nam Dược and BioTrade activities lechnical trainings





## • Input supply development





### • Trade promotion





## Challenges of export

- Lack of market intelligence: potentials, demand and requirements of each market
- Limited capacity: no personnel specifically in charge of export, insufficient consideration for export markets



### Recommendations

- The need for a list of organizations active in trade and export promotion activities for cooperation
- Access to information sources on pharmaceutical export markets



# **Questions and answers**



# Thank you

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